

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:	)	Chapter 9
	)	
CITY OF DETROIT, MICHIGAN,	)	Case No. 13-53846
	)	
Debtor.	)	Hon. Steven W. Rhodes
	)	

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**JOINDER OF DETROIT RETIREMENT SYSTEMS IN  
CERTAIN ARGUMENTS OF THE OFFICIAL COMMITTEE OF  
RETIREEES AND OF THE CITY OF DETROIT REGARDING  
ISSUE NOS. 5, 9, AND 10 FROM THE JUNE 5, 2014, COURT ORDER  
IDENTIFYING LEGAL ISSUES [DKT. NO. 5235]**

The Police and Fire Retirement System of the City of Detroit and the General Retirement System of the City of Detroit (collectively, the “Retirement Systems”) respectfully state as follows:

1. In an Order entered by the Court on June 5, 2014 [Dkt. No. 5235] (the “Legal Issues Order”), the Court identified several potentially discrete legal issues that “may be determinable as a matter of law.” The Court invited supplemental briefing, but only as “absolutely necessary.” Per the Court’s admonition, the Retirement Systems did not file supplemental briefing. However, for clarity, the Retirement Systems wish to join in existing briefing before the Court, as described below.

### **Legal Issue No. 5**

2. Legal Issue No. 5, as identified in the Legal Issues Order, is: “Whether §§ II.B.3.a.ii. and q.ii. of the Plan relating to classification satisfy 11 U.S.C. § 1123(a)(4).”

3. On June 30, 2014, the Official Committee of Retirees filed a Memorandum [Dkt. No. 5709] (the “Committee Memorandum”), addressing several of the issues identified in the Legal Issues Order, including Issue No. 5.

4. The Retirement Systems join in the Committee Memorandum in addressing Legal Issue No. 5. Committee Memorandum at 3-12. Moreover, the Retirement Systems did not appreciate that a certain argument made by the Retirement Systems in a pleading they filed dated March 21, 2014 [Dkt. No. 3142], as referenced in the Committee Memorandum, regarding classification concerns arising from the Income Stabilization program, may have motivated or come within the ambit of Legal Issue No. 5. To the extent this is accurate, to alleviate this issue in this context, the Retirement Systems wish to indicate that they withdraw the argument.

### **Legal Issue No. 9**

5. Legal Issue No. 9, as described in the Legal Issues Order, is: “Whether the failure of the Plan to treat LTGO claims as senior unsecured claims

violates the Bankruptcy Code, Michigan law, or a contract right that is enforceable in bankruptcy.”

6. The Retirement Systems join in the Committee Memorandum in addressing Legal Issue No. 9. Committee Memorandum at 12-21.

7. In addition, with respect to Legal Issue No. 9, the Retirement Systems join in the “Consolidated Reply to Certain [Plan] Objections” filed by the City on May 26, 2014 [Dkt. No. 5034] (“Consolidated Reply”), but only as to certain arguments made by the City that the Plan does not discriminate unfairly and is fair and equitable under Bankruptcy Code section 1129(b). Specifically, and only as the arguments apply to the rights and treatment of the LTGOs, the Retirement Systems join in the Consolidated Reply at 23-57, 82-92.

8. The Retirement Systems’ limited joinder in the Consolidated Reply pursuant to the foregoing paragraph pertains only to the treatment of claims under Alternative A of the Plan.

### **Legal Issue No. 10**

9. Legal Issue No. 10, as described in the Legal Issues Order, is: “Whether Macomb, Oakland and Wayne Counties have standing to object to the Plan.”

10. The Retirement Systems join in the Committee Memorandum in addressing Legal Issue No. 10. Committee Memorandum at 21-23.

Dated: July 11, 2014

Respectfully submitted,

CLARK HILL PLC

/s/ Robert D. Gordon  
Robert D. Gordon (P48627)  
Shannon L. Deeby (P60242)  
151 South Old Woodward Avenue  
Suite 200  
Birmingham, Michigan 48009  
Telephone: (248) 988-5882  
Facsimile: (248) 988-2502  
rgordon@clarkhill.com  
sdeeby@clarkhill.com

*Counsel to the Police and Fire Retirement  
System of the City of Detroit and the  
General Retirement System of the City of  
Detroit*